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**STATE BOARD OF EQUALIZATION**

July 25, 1969

Mr. J. H. F---  
City Clerk, Director of Finance  
P. O. Box 1328  
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Dear Mr. F---:

Our district office has asked us to write you concerning the application of tax to your purchase of chemicals for addition to the public water supply.

Over the years we have considered the following and found that they may be purchased ex-tax for resale: Aluminum Sulphate (Alum); Soda Ash; Lime; Chlorine; and Sodium Fluoride.

We have not specifically ruled on Nuchar Aqua A or Poly Phosphate. I understand that Nuchar Aqua A is a catalyst. As explained in the enclosed copy of Ruling 14, chemicals used as catalysts are among property which is subject to tax. Accordingly, tax is properly applied to your purchase of Nuchar Aqua A.

Poly Phosphate apparently is used for PH adjustment in the same manner as lime. It is probably purchased for the purpose of incorporating it into the finished product, i.e., it is intended to remain in the water as sold to maintain the proper PH level. Accordingly, your purchases of Poly Phosphate are not subject to tax.

Sincerely,

Lawrence A. Augusta  
Assistant Counsel

LAA:lt